

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:2220

ANSWERED ON:03.08.2015

Modernisation/Upgradation of Refineries

Kaswan Shri Rahul;Naik Prof. Seetaram Ajmeera;Patil Shri Bheemrao Baswanthrao;Ranjan (Pappu Yadav) Shri Rajesh;Ranjan Smt. Ranjeet;S.R. Shri Vijay Kumar;Yadav Shri Laxmi Narayan

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government proposes to undertake modernization / upgradation of the oil refineries across the country and to equip themselves in processing high sulphur crude oil to cut their import bill;
 - (b) if so, the details thereof including the funds earmarked, targets set for expansion of refining capacity, State/UT/Oil Marketing Company (OMC)-wise including Bharat Oman Refinery Limited (BORL), Barauni, Visakhapatnam and Manali refinery;
 - (c) the details of refineries functioning in the country at present along with their installed capacity/utilization and steps taken by the Government for optimum utilisation, OMC/State-wise including BORL and Barauni;
 - (d) whether the Government proposes to set up more refineries/Lube plants in the country and if so, the details thereof along with places identified for the purpose, OMC/State-wise including Rajasthan and Karnataka; and
 - (e) whether Government has given instruction to BORL for providing employment to the local people and if so, the details thereof and action taken in this regard?
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Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) and (b): Indian refineries have adopted modern technologies for production of petroleum products and continuously upgrade the technologies in line with their requirements and international trends.

Apart from primary processing technologies, viz., Crude Oil Fractionation by Atmospheric Distillation and Vacuum Distillation for initial separation, the major modern process technologies employed by Public Sector Undertaking (PSU) refineries for producing petroleum products include:-

i) Secondary/Upgradation Technologies for yield improvement:

â€¢ Thermal cracking processes, viz., Visbreaking, Delayed Coking.

â€¢ Fluidised Catalytic Cracking, INDMAX Technology.

â€¢ Hydrocracking.

ii) Quality Upgradation Technologies:

â€¢ Catalytic Reforming, Isomerisation, Alkylation, Prime G for meeting the quality specifications of Petrol w.r.t. octane number, benzene content, aromatics, olefins, sulphur, distillation etc.

â€¢ Diesel Hydro-desulphurisation (DHDS), Diesel Hydro-treating (DHDT) for diesel for reduction of sulphur & PAH (Poly Aromatic Hydrocarbons) and cetane number improvement.

As per information received from Oil PSUs, they have undertaken a number of initiatives for upgradation and modernization of their refineries. Details of such initiatives/projects are given at Annex-I.

(c) Details of refineries functioning in the country along with their installed capacity/utilisation is given in Annex-II. Against the installed capacity of 215.066 Million Metric Tonne Per Annum (MMTPA), actual throughput of refineries during 2014-15 was 223.4 MMTPA. As such the utilization of capacity of refineries is more than the installed capacity.

(d): Consequent to the de-licensing of the refinery sector in June, 1998, a refinery can be set up anywhere in India by a Private or Public Sector Enterprise, depending on its techno-commercial viability. Indian Oil Corporation Limited is setting up a 15 MMTPA refinery at Paradip, Odisha. Government has approved the proposal of Hindustan Petroleum Corporation Limited to set up a 9 MMTPA Refinery-cum-Petrochemical Complex in Barmer District of Rajasthan, in collaboration with Government of Rajasthan.

(e) It has been reported that Bharat Oman Refinery Limited (BORL) employs about 4,000 contract employees out of which 70% are from local region. Further in BORL, the entry level staff is engineers. BORL also has taken initiative to recruit the entry level officers

from Madhya Pradesh region which is more than 60% of the total entry level employees.
